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## CENTRAL INTELLIGENCE AGENCY

## INFORMATION REPORT

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COUNTRY	Hungary	REPORT NO.	25X1
SUBJECT	Gheorghiu-Dej Shipyard	DATE DISTR.	12 January 1954
	25X1	NO. OF PAGES	4
DATE OF INFO.		REQUIREMENT NO.	25X1
PLACE ACQUIRED		REFERENCES	

25X1 1. Location.  
The Gheorghiu-Dej Shipyard (formerly Ganz) is located at Meder Street 9, Budapest XIII.

2. Organization.  
This shipyard is under the Ministry of Heavy Industry. It is composed of three parts:  
a. Shipbuilding docks.  
b. Plant for the manufacture of cranes.  
c. "Lackovics-telep" plant.  
Since late 1952, the shipbuilding docks and the crane plant have become more and more independent.

3. Shipbuilding Docks.  
a. The ships are built at three docks located south of the railroad bridge (destroyed), on the east bank of the Winter Harbor (Télrikikötő).  
b. Each dock has its assembly plant, its machine shop, its sheet metal-work shop, and other small shops such as locksmith shop, carpentry shop, etc.  
c. Three ships can be built simultaneously. They are seagoing ships of 1,100 tons each with twin propellers, built for delivery to the USSR. Each propeller is operated by two diesel engines of the Ganz-Jendrassik type, 800 h.p. each.  
d. Construction of the 45th ship was begun in early April 1953.  
e. The propellers come from the Ganz Railroad Car and Machine Plant (Ganz Vagon és Gépgyár) in Budapest; the engines from the Ganz Electric Plant (Ganz villamossági gyár) at Lóvöldeházutca 39, Budapest II; and a large part of the machinery is furnished by Lang Machine Factory (Lang Gépgyár) of Budapest.

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4. Plant for the Manufacture of Cranes.a. Production.

This plant produces:

- (1) 100-ton floating cranes, similar to the Ady floating cranes used in the construction of Petöfi bridge in Budapest.
- (2) 5-ton cranes on rails.
- (3) 3-ton cranes on pilings.
- (4) 10-ton rolling bridges.
- (5) special cranes to set up and to load blast furnaces. (Recently, several of these cranes were sent to the large furnace of Diósgyőr).
- (6) special loaders, in cooperation with certain shops of the ship assembly docks, for war factories.

b. Deliveries.

- (1) Early in 1953, this plant delivered 6 special loaders for a large plant and ammunition depot being built at Nagytétény. At the end of April 1953, several loaders were also to be provided for the plants being built at Sirok and at Sajóbábony.
- (2) Four floating cranes were built up to April 1953, of which three were delivered to the USSR.
- (3) By the end of March 1953, 52 5-ton cranes had been delivered to the Russians.

5. The "Lackovics-telep" Plant.

- a. This plant was made part of Ganz shipyard in 1949.
- b. Lighters for the Hungarian-Russian Meszhart navigation firm are built there at the rate of 2 per month. On the average, two lighters a month are also repaired here.

6. Manufacture of War Materiel.

- a. War materiel has been manufactured in certain shops of the ship-assembly docks and in the crane factory since 1951.
- b. Since 1951, gun-carriages for 37 and 85 mm. antiaircraft guns have been built. Since the fall of 1952, gun carriages and gun mounts for 122 mm. track-howitzers have also been built. Production, in April 1953, was 62 carriages per month, 42 of which were for 122 mm. howitzers.
- c. South of Meder utca, construction work has been underway since fall 1952. When completed, part of the crane factory and the shops manufacturing gun parts will be established there. Production of gun carriages will then be done in series. The above mentioned shops also manufacture antiaircraft-gun carriages (37 mm.) to be installed on the bow of the 1,100-ton ships built in the shipbuilding yard.

7. Rail Connections.

Transport of the material is carried out by the railroad which goes through the shipyard, and which connects the freight stations of Lipótvaros, Rákosi, and Magdolnaváros.

8. Morale.

- a. There are about 1,800 workers. Most of them are not loyal to the Regime, and many acts of sabotage and fires slow down the production.
- b. As a countermeasure, the Communist Party has replaced many old specialized workers with young militants (ifjumunkás) loyal to the Party, placing the other workers under the latter. However, this measure only increased the confusion, and production has not noticeably increased. Morale is also low because there are too many pay deductions.

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c. At the shipyard, there is a Soviet delivery commission consisting of three men. Since 1952, their control has been stricter, because of the numerous defects they found on the completed ships.

Annex: Location of the Gheorghiu-Dej Shipyard. (1 page)

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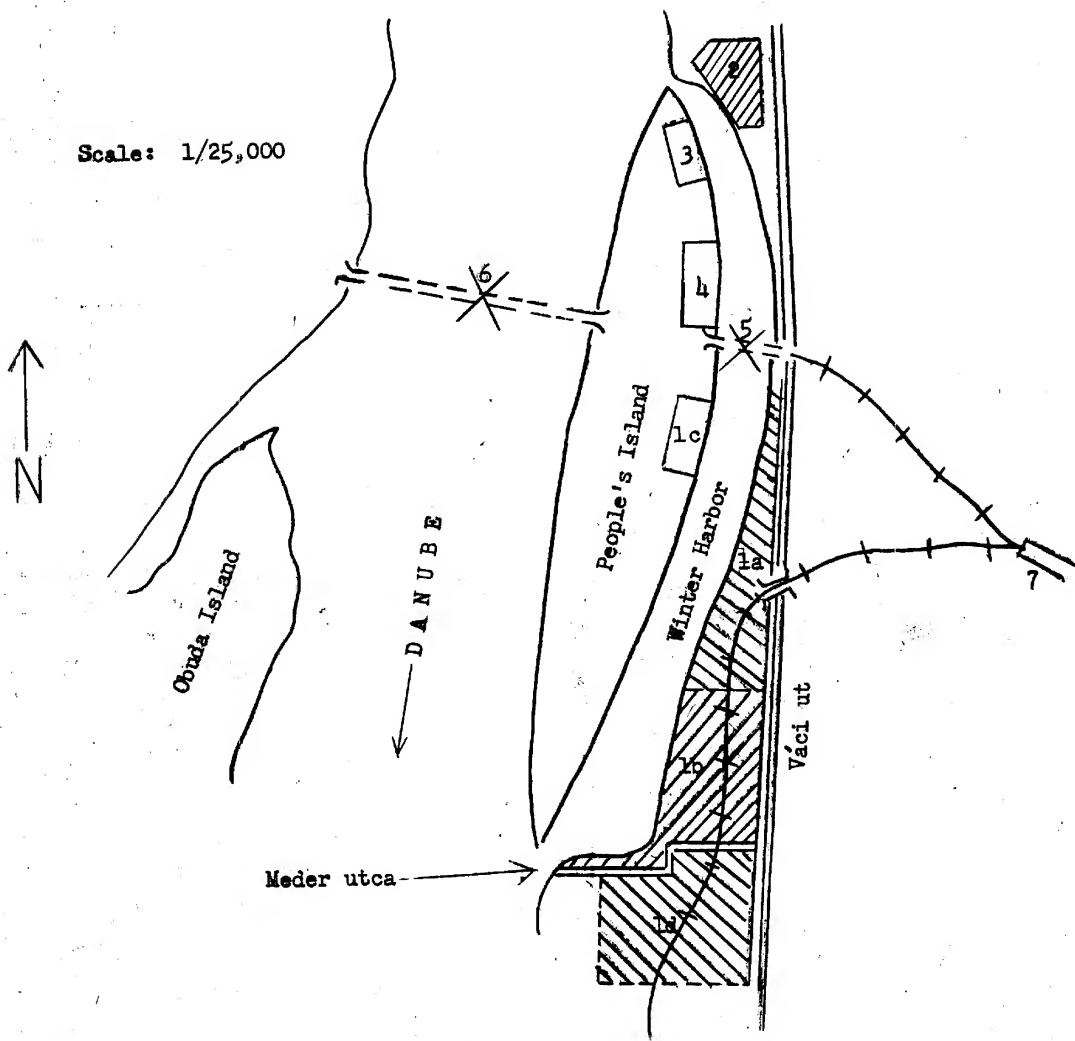
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Annex

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Gheorghiu Dej Shipyard, Budapest

## LEGEND:

1. Shipyard, a. Ship assembly docks  
b. Crane factory  
c. "Lackovics-telep" plant  
d. New shops under construction
2. Barracks of the Hungarian River Troops
3. Shipyard of the Hungarian River Troops
4. Shipyard of Mefter Company
5. Railroad bridge (destroyed); wooden overpass for pedestrians (rebuilt)
6. Destroyed railroad bridge
7. Magdolnaváros station

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